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HOUSE BILL 517

48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008

INTRODUCED BY

Luciano "Lucky" Varela

AN ACT

RELATING TO GOVERNMENT ADMINISTRATION; REQUIRING THE DEPARTMENT OF INFORMATION TECHNOLOGY TO PREPARE EQUIPMENT REPLACEMENT PLANS; AUTHORIZING EQUIPMENT REPLACEMENT REVOLVING FUNDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 9-27-1 NMSA 1978 (being Laws 2007, Chapter 290, Section 1) is amended to read:

"9-27-1. SHORT TITLE.--~~[Sections 1 through 9 of this act]~~
Chapter 9, Article 27 NMSA 1978 may be cited as the "Department of Information Technology Act"."

Section 2. A new section of the Department of Information Technology Act is enacted to read:

"[NEW MATERIAL] EQUIPMENT REPLACEMENT PLANS--EQUIPMENT REPLACEMENT REVOLVING FUNDS.--

A. In order to plan for the expenditure of capital

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underscored material = new
[bracketed material] = delete

underscoring material = new
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1 investments necessary to provide goods and services to the
2 state and its agencies and to local public bodies and other
3 enterprise customers, the department shall establish and
4 maintain an equipment replacement plan for each of the
5 department's enterprise functions. No later than December 1 of
6 each year, the plans shall be submitted to the department of
7 finance and administration and to the legislature, accompanied
8 by a reconciliation report of the preceding fiscal year
9 reflecting financial activity in each of the equipment
10 replacement revolving funds established pursuant to this
11 section.

12 B. Upon the request of the secretary, the state
13 treasurer shall establish in the state treasury such "equipment
14 replacement revolving funds" as are necessary to administer
15 each of the department's enterprise functions. The revolving
16 funds shall consist of legislative appropriations to the funds
17 and transfers made to the funds pursuant to Subsections C and D
18 of this section. Income from investment of the revolving funds
19 shall be credited back to the funds, and money in the funds
20 shall not revert at the end of a fiscal year. Expenditures
21 from the funds shall only be made pursuant to an appropriation
22 from the legislature and only for the purpose of acquiring and
23 replacing capital equipment used to provide enterprise services
24 pursuant to the department's equipment replacement plans.

25 C. The department shall record amounts due to the

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[bracketed material] = delete

1 equipment replacement revolving funds each fiscal year, based
2 on the calculation of depreciation applicable to each
3 enterprise service as reflected in the department's published
4 cost structures for calculation of rates for services.
5 Transfers to the funds shall be made from the operating funds
6 of each enterprise in amounts that reconcile with the recorded
7 amounts due. The recording of amounts due to the equipment
8 replacement revolving funds and the transfer of the funds shall
9 be consistent with generally accepted accounting principles.

10 D. The department may make initial transfers from
11 its operating funds to establish the beginning fund balances as
12 of July 1, 2008."